



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

March 3, 2009

Mark Chandler, Executive Vice President
Autoland, Incorporated (Autoland)
20131 Prairie St, Suite 1
Chatsworth, CA 91311

Dear Mr. Chandler:

RE: FINAL MONITORING VISIT REPORT for AUTOLAND - ET07-0294

Date of the Visit:	02/11/09 (on-site) & 3/3/09 (desk review)
Beginning/Ending Time:	9:30 a.m. to 1:00 p.m. & 2:00 - 3:30 p.m.
Date of Last Visit:	08/05/08
Visit Location:	Sherman Oaks
Persons in attendance:	Rixie Lowden, Training Coordinator, Autoland William Sacks, Consultant, National Training Company Margarita M. Paccarelli, ETP Contract Analyst
Action Required:	Yes

CONTRACT INFORMATION:

Term of Agreement:	03/06/07 – 03/05/09	Agreement Amount:	\$128,700
Training Start Date:	03/06/07	No. to Retain:	90
Date Training must be Completed:	12/05/08	Range of Hours:	24 - 160
Type of Trainee:	Retrainee	Weighted Ave. Hours:	80 - 103

FINAL REPORT SUMMARY

• HISTORY OF AGREEMENT CHANGES

The Agreement was executed on May 29, 2007 and training began on March 6, 2007. Your project staff reported that all training was completed on December 5, 2008, which allowed for the 90-day retention period to be completed within the term ending date of the Agreement - March 5, 2009.

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- **FINAL PROJECT STATISTICS**

Project Statistics Provided by the Contractor

Trainees Started Training:	155	Currently in Training:	0
Trainees Enrolled:	155	Completed Training:	71
Dropped Following Enrollment:	84	Completed Retention:	71

Your Agreement contains a variable training plan, which means that reimbursement will be based on the total actual number of training hours completed by each trainee between 24 and 160 training hours. There will be no reimbursement for any trainee who does not complete a minimum of 24 hours of training from the approved curriculum.

Based on the data obtained from the ETP Online Tracking System, there are 71 trainees (31 in Job 1 and 40 in Job 2) who met the minimum class/lab training hours. These trainees completed 5209.99 class/lab hours, which will result in projected earnings of \$78,149.85 (61% of the Agreement amount). Since your company has received \$12,483 in progress payments, you will receive an additional \$65,666.85, if the anticipated number to retain is verified during the final fiscal closeout.

Your project staff was provided technical assistance on how to do the final contract closeout and was advised that all active trainees must either be dropped or invoiced for final payment at this time. By the terms of the agreement the final contract closeout should be completed within 30 days of the end term date of the Agreement. The final contract closeout invoice and associated documents must be submitted to ETP on or before the close of business on April 6, 2009.

- **INTERVIEW WITH CONTRACTOR'S REPRESENTATIVES**

You informed the Analyst that the low completion rate was due to the company's move to a new building in Chatsworth resulting in interruption of training for a few months in 2008. Although your company did not complete 100%, Ms. Lowden stated that the training improved trainee efficiency, improved maximum return of investment, and allowed the company to have a better control of the business. She also added that staff has a greater sense of commitment and support from the company.

Ms. Lowden reported she did not experience any problems with ETP record keeping and that ETP staff was very helpful in providing technical assistance in the administration of this Agreement.

TRAINING RECORDS

A final visit was scheduled on February 11, 2009. However, Ms. Paccarelli was not able to closeout the contract at that time due to several action items found during the records review. The Analyst gave your staff an opportunity to review the training records, make the necessary corrections, and provide ETP any documentation relating to the cited records as follows:

- Roster dated 8/8/08 shows total training hours of 3.25, but it was entered online for 3.75. There were five trainees affected by this error – Fred Abitia, Alec Smith, Carlos Alvarez, Jeff Sevilla, and Oscar Rivera
- A trainee, Nicole Lagrimas, shows overlapping attendance on 10/29/98. One roster shows a session time of 9:00 a.m. to 12:00 p.m. and the second roster shows a session time of 9:30 a.m. to 12:30 p.m.
- Autoland documents a full-day training for the same group of trainees with the same course topic and instructor by having them sign three to four rosters in increments of 1.75 to 3.25 training hours for the same day. According to the company representative, their administrative subcontractor instructed them to do so. While going through these records, the Analyst found that no lunch break was credited for these training sessions. Your staff was advised that lunch break cannot be counted as training time.
 - Training on 8/8/08 from 8:45 a.m. to 5:30 p.m.
Trainees signed three rosters at 8:45 a.m. to 12:00 p.m., 12:00 p.m. to 3:00 p.m., and 3:00 to 5:30 p.m.
 - Training on 4/5/07 from 9:30 a.m. to 5:30 p.m.
Trainees signed four rosters at 9:30 a.m. to 1:00 p.m., 1:00 to 2:45 p.m., 2:45 to 3p.m., and 3:00 to 5:30 p.m.
 - Training on 11/12/07 from 8:45 a.m. to 6:00 p.m.
Trainees signed three rosters at 8:45 to 11:45 a.m., 12:00 to 3:00 p.m., and 3:00 to 6:00 p.m.
 - Training on 2/14/08 from 8:45 a.m. to 6:30 p.m.
Trainees signed four rosters at 8:45 to 10:45 a.m., 11:00 a.m. to 3:45 p.m., 3:45 to 4:45 p.m., and 5:00 to 6:30 p.m.
 - Training on 5/1/08 from 8:45 a.m. to 6:30 p.m.
Trainees signed four rosters at 8:45 to 12:45 a.m., 11:00 a.m. to 3:45 p.m., 3:45 to 4:45 p.m., and 5:00 to 6:30 p.m.
 - Training on 4/6/07, 5/2/07, and 5/4/07
Rosters for these training dates noted “working lunch”. The Analyst inquired how training was delivered during the working lunch and if trainees were advised that the session requires working lunch. It should be noted that at the last monitoring visit, a trainee informed the Analyst that he did not have a working lunch on a session that the roster shows “working lunch”.

On March 2, 2009, your administrative subcontractor informed the Analyst via email that the records have been corrected online. For all sessions cited for lunch breaks, the Analyst was informed that one hour was deducted for each training dates. This was verified by the Analyst on the ETP Online Tracking System.

Your project staff was advised that the above findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. Therefore, it is your responsibility to ensure that all training records comply with Panel requirements for auditing purposes. (Reference: Title 22 California Code of Regulations, Section 4442)

AUDIT

Your company will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk review. These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters.

To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Margarita Paccarelli at (818) 755-1317 or by email at mpaccarelli@etp.ca.gov within ten (10) working days from the receipt of this report.

Sincerely,

Signature on file

Dolores Kendrick, Manager
North Hollywood Regional Office

Signature on file

Margarita M. Paccarelli, Contract Analyst
North Hollywood Regional Office

cc: David Guzman, Chief, ETP Program Operations Division (via email)
Kulbir Mayall, Manager, Fiscal and Certification (via email)
Master File
Project file

Date report mailed to Contractor 4/2/09